

**Iowa Department of Natural Resources
Environmental Protection Commission**

ITEM

9

DECISION

TOPIC

**Clean Water State Revolving Loan Fund – 2006 Intended Use Plan
Fourth Quarter Update**

Environmental Protection Commission approval of the fourth quarter update to the Clean Water State Revolving Fund Intended Use Plan (IUPs) for FY 2006 is requested. The Commission approved the FY 2006 IUP in July 2005, the second quarter update in September 2005, and the third quarter update in December 2005.

The fourth quarter update includes an amended list of projects proposed to receive loan assistance. Four new wastewater construction projects, seven planning and design loans, and two General Non-Point Source projects are being added to the Clean Water SRF IUP.

Of note in this IUP is the first request for CWSRF funding for a storm water management project. The City of Storm Lake has requested funds to supplement a Water Improvement Review Board (WIRB) grant in order to complete an extensive storm water filtration project. As an MS4 city, Storm Lake must borrow through the Section 212 point source program. DNR and the Iowa Finance Authority (IFA) explored the possibility of a sponsored project for Storm Lake. Since this process was not feasible on advice of bond counsel, IFA plans to provide a reduced interest rate for the portions of the project identified as non-point source runoff control improvements.

A public meeting was held January 11, 2006. Oral comments were received from the Iowa Natural Heritage Foundation, in support of their project request, and from Ted Payseur, representing the Iowa Water Pollution Control Association. Mr. Payseur encouraged the department to work with the State Historic Preservation Officer (SHPO) to provide clearer definitions of the expectations for project documentation. The department is working with SHPO and the National Advisory Council on Historic Preservation on a Programmatic Agreement to better define roles and responsibilities. In addition, the department is holding a Kaizen event January 30-February 3 to explore how to streamline the SRF environmental and historical review process.

Patricia Cale-Finnegan
Water Quality Bureau
January 27, 2006

CLEAN WATER STATE REVOLVING FUND PROJECT TRACKING 1/06

PROJECTS READY FOR LOANS

These projects are ready to initiate loan agreements. It is now up to the city to work with bond counsel to close a loan.

Project Name	Year Applied	Loan Request	Project Priority Points	Need Categories
Arcadia	2005	\$243,000	74	IVB
Asbury	2004	\$1,700,000	121	I
Clinton	2004	\$1,668,000	163	IIIA
Elliott	2005	\$316,000	71	IIIA
Humeston	2005	\$168,000	111	II, IIIA
Johnston	2006	\$2,100,000	Segmented	IVB
Ottumwa	2004	\$6,233,000	170	V
Ruthven	2005	\$619,000	152	I
Ryan	2005	\$581,000	73	II
Sibley	2005	\$294,000	89	IVB
Sioux City	2003	\$25,000,000	163	II, IVB
Strawberry Point	2004	\$1,963,000	131	II, IIIA
Victor	2005	\$675,000	92	II
West Liberty	2004	\$1,750,000	101	I
Westside	2004	\$555,000	109	I
Wheatland	2003	\$1,111,000	98	II
TOTAL		\$44,976,000		

PROJECTS IN PLANNING PHASE

These projects are in the planning stage. Project planning times vary depending on the complexity of the project.

Project Name	Year Applied	Loan Request	Project Priority Points	Need Categories
Anamosa (new this quarter)	2006	\$40,000	P&D	II
Bancroft	2006	\$1,247,000	96	IIIA
Brayton	2006	\$337,000	98	I, IIIA
Bridgewater (new this quarter)	2006	\$137,000	96	IIIA
Camanche	2005	\$467,000	168	I
Colesburg (new this quarter)	2006	\$140,000	P&D	II
Elkader	2006	\$101,000	P&D	IIIA
Elkader (new this quarter)	2006	\$1,645,000	171	IIIA
Ely	2006	\$2,495,000	98	II
Fairfax	2006	\$2,400,000	113	II
Fertile (new this quarter)	2006	\$340,000	91	IIIA
George	2005	\$1,120,000	93	I
Gowrie	2005	\$1,424,000	93	II
Hubbard	2005	\$840,000	88	I
Hudson	2005	\$606,000	181	II, IIIA
Iowa Falls (new this quarter)	2006	\$300,000	P&D	II
Jones County	2005	\$226,000	73	II
Lansing	2005	\$2,423,000	157	I
Lawler	2005	\$771,000	98	I

Maharishi Vedic City (new this quarter)	2006	\$135,000	P&D	II
McCausland	2005	\$828,000	201	I
Milton	2005	\$488,000	38	IIIA
Moulton	2006	\$102,000	111	IIIA
Mt. Auburn	2006	\$193,000	127	I
Olin	2005	\$1,028,000	73	
Oxford Junction	2005	\$533,000	117	II
Paullina (new this quarter)	2006	\$45,000	P&D	IIIB
Primghar	2005	\$620,000	93	II, IIIA
Royal	2005	\$301,000	63	I, IVB
Sheffield	2005	\$1,180,000	94	II
Sherrill	2005	\$554,000	118	I, IIIA
Storm Lake (new this quarter)	2006	\$159,000	P&D	VI
Storm Lake (new this quarter)	2006	\$570,000	176	VI
Toledo	2005	\$1,587,000	190	II, IVB
Troy Mills S.D.	2006	\$170,000	168	I
Villisca	2004	\$1,361,000	101	II
Warren Water Dist./Bevington	2006	\$94,000	P&D	I, IIIA
TOTAL		\$27,007,000		

CONTINGENCY PROJECTS

These projects have been placed on contingency status; they are not expected to move to a loan in FY 2006.

Project Name	Year Applied	Loan Request	Project Priority Points	Need Categories
Hamburg	2000	\$448,000	Segmented	I, IIIA
Lester	2005	\$374,000	101	I
Perry	2005	\$1,100,000	130	IVB
Pleasantville	2004	\$1,365,000	Segmented	II
TOTAL		\$3,287,000		

COMPLETED LOANS		Loan Amount	Signing Date
Asbury	2004	\$1,700,000	7/22/05
Cantril	2004	\$452,000	10/19/05
DeWitt	2003	\$1,599,000	12/12/05
La Motte	2003	\$319,000	10/24/05
Laurens	2005	\$972,000	9/9/05
Minden	2003	\$700,000	12/14/05
Mount Ayr	2005	\$2,825,000	10/19/05
Mount Pleasant	2006	\$5,110,000	11/29/05
New Vienna	2004	\$500,000	12/12/05
Rolfe	2005	\$635,000	9/21/05
Sutherland	2005	\$670,000	10/4/05
Williams	2003	\$135,000	9/9/05
TOTAL		\$15,617,000	

NON-POINT SOURCE PROGRAMS

Set-Aside Program	Project	Current Amount Requested	Amount Loaned to Date	Original Set-Aside Amount
On-Site Wastewater		\$810,000		\$900,000
Livestock Water Quality		\$3,000,000		\$3,000,000
Local Water Protection		\$3,190,000	\$1,810,000	\$5,000,000
General Non-Point Source	INHF Clear Lake		\$512,000	\$500,000
General Non-Point Source	Maritime Museum	\$195,000		\$195,000
General Non-Point Source (new this quarter)	INHF Spirit Lake	\$6,000,000		
General Non-Point Source (new this quarter)	City of Orleans	\$499,000		
TOTAL		\$13,694,000	\$2,322,000	\$9,095,000

**TOTAL FY 2006 CWSRF
INTENDED USE PLAN
(as of 1/27/06)**

\$106,903,000

PROPOSED GENERAL NON-POINT SOURCE PROJECTS JANUARY 2006

1. Protection of Water and Biological Resources at Spirit Lake

Applicant: Iowa Natural Heritage Foundation

Project Description: The Iowa Natural Heritage Foundation (INHF) has agreed to purchase a 93-acre parcel of land adjacent to Spirit Lake which includes 3,500 feet of natural shoreline. The purpose of the project is to preserve natural shoreline features, including significant bulrush habitat and to restore wetlands and prairie habitats on the site. The land parcel is adjacent to Hale's Slough and will also provide a buffer between the wetland and developed areas.

When the land purchase is completed, the INHF will transfer the property to the Iowa Department of Natural Resources for public use.

Loan Amount: \$6,000,000

Special Considerations Requiring EPC Approval: Chapter 92.13(5) paragraph e. states that... "Costs for the purchase of land are not eligible costs unless specifically approved by the commission when adopting the IUP." EPC approval will allow DNR and the Iowa Finance Authority to work with the INHF to structure a financing package.

2. Orleans Storm Water Management

Applicant: City of Orleans

Project Description: The City of Orleans is located between Big Spirit Lake and East Okoboji Lake. The City is proposing to construct a wetland retention basin to capture and filter urban storm water runoff. The purpose of the project is to filter pollutants, including excess nutrients, organic compounds, trace metals, sediments, and other chemicals, from storm water before it enters the lakes. The project will also reduce flooding and create natural habitat through the wetland structure.

Loan Amount: \$499,000

**CLEAN WATER STATE REVOLVING FUND
SOURCES AND PROPOSED USES
JANUARY 2006**

SOURCES:

Requested for Loans		\$85,677,000
Available for Additional Loans		\$1,397,000
	TOTAL	\$87,074,000

USES:

Point Source Construction Loan Requests		\$70,969,000
Point Source Planning & Design Loan Requests		\$1,014,000
Non-point Source Program Assistance		\$13,694,000
Additional Loan Requests		\$1,397,000
	TOTAL	\$87,074,000